

Calling For World-Class Service

SERVICE PARTS MANAGEMENT



"We chose Servigistics after conducting an extensive evaluation of leading service parts management vendors in search of a single global solution that is easy to deploy and addresses the needs of central and field locations."

JEFF GARDNER
Vice President of
Product Support Services
Avaya

CHALLENGE:

Avaya needed to consolidate, gain better visibility and improve the first-time fill rates across its expansive service parts network. The challenge was to find a Strategic Service Management Solution that would provide a consolidated view, support global business units for both central and field stocking locations and easily integrate with the company's legacy systems and multiple ERP instances.

Avaya required a solution that could:

- Improve first-time fill rates
- Manage both central and field stocking locations
- Support the global operation through a centralized planning model
- Easily integrate with multiple legacy systems

RESULTS:

Servigistics responded with a Service Parts Management solution that was implemented in less than 23 weeks in the US Globally Avaya achieved the following:

- Reduced inventory 10%+
- Avoided \$5 million in service parts repair costs
- Identified large amounts of excess inventory
- Rebalanced inventory to the field, avoiding purchases
- Increased planner productivity and morale
- Improved first-time fill rates by 30%+

Avaya is a global leader in communication systems, applications and services.

Avaya designs, builds, deploys and manages networks for enterprises and has over 90% of the Fortune 500 companies as clients, which represents more than 500,000 maintenance contracts globally.

Avaya has grown through numerous acquisitions, resulting in multiple business units and service organizations operating as separate entities. Its service supply chain had grown to more than 2,500 physical service parts stocking locations, with nearly 20 million part/pair combinations that were supported by more than 30 planners worldwide. Each location was planned autonomously, and there was little visibility across the globe.

Avaya had maintained high service part inventory levels and assumed that these high levels would enable it to meet their customer expectations. However, the company learned that this was not the case during its annual user conference, where clients expressed dissatisfaction with the company's first-time fill rate. Avaya recognized that in order to remain competitive, it needed to significantly improve part availability.

PLACING A CALL FOR HELP

Avaya needed to gain better control of its inventory and improve first-time fill rates across its expansive service parts network. The challenge was to find a service parts management solution that would provide a platform for this consolidation. The solution needed to support global business units, for both central and field stocking locations, and needed to easily integrate with its legacy systems.

Avaya required a parts management solution that could:

- Improve first-time fill rates
- Manage both central and field stocking locations
- Support the global operation through a centralized planning model
- Integrate with its multiple legacy systems
- Easily integrate with the company's ERP systems
- Collaborate with a large variety of outsourced repair vendors and 3rd-party logistics providers

“Servigistics clearly helped us achieve our goal. We extended our global reach and created immediate value that helped us turn our customer satisfaction in less than six months. The team at Servigistics has been remarkable.”

JEFF GARDNER
 Vice President of
 Product Support Services
 Avaya

Avaya previously used Xelus (now part of Click Commerce) for central planning in the US Voice business, but determined that the solution would not meet its global needs for planning both central and field stocking locations. Avaya needed an integrated system that would optimize its entire network.

After evaluating multiple software vendors and conducting reference calls with Servigistics clients and industry analysts, Avaya selected Servigistics. The key factors leading to the selection included the solution’s Web-based architecture and the single instance for central and field, which allowed Avaya to leverage its entire service parts network and centralize its planning model. Avaya also reviewed the cost of ownership between Servigistics and other vendors and found that Servigistics’ total-cost-of-ownership was lower and provided greater value than the competitors’.

IT’S CALLED A SUCCESS

Servigistics was implemented in less than 23 weeks in the US. More importantly, the Servigistics implementation included integrations with multiple ERP instances, legacy systems and third-party logistics providers.

SCOPE

Servigistics is used to manage Avaya’s service parts globally:

- 500,000+ maintenance contracts
- 2,500 locations
- 20+ million part/pair combinations

SINGING THE PRAISES

Since implementing Servigistics, Avaya has:

- Reduced inventory 10%+
- Avoided \$5 million in repair costs
- Identified large amounts of excess inventory
- Realized rebalancing for the field
- Increased planner productivity and morale
- Improved first-time fill rates by 30%+

But the most important success is that Avaya has been able to improve its total client satisfaction, which was a turn-around in less than six months due to improved parts availability.



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